

STATE OF MAINE  
PUBLIC UTILITIES COMMISSION

Docket No. 97-430

July 29, 1997

PUBLIC UTILITIES COMMISSION  
Inquiry Into Establishing School  
and Library Discounts Pursuant to  
the Telecommunications Act of 1996

ORDER

WELCH, Chairman; NUGENT and HUNT, Commissioners

---

In this Order, we approve the Discount Matrix contained in FCC Order No. 97-157.

On May 8, 1997, the Federal Communications Commission (FCC) issued a Report and Order on Universal Service (FCC Order No. 97-157, CC Docket No. 96-45) implementing key portions of section 254 of the Telecommunications Act of 1996 (TelAct) pertaining to universal service. Section 254(h) of the TelAct states that schools and libraries should have access to telecommunication services for educational purposes at discounted rates.

The FCC's Order provides federal support of discounts for both interstate and intrastate services for schools and libraries. The Order establishes discount levels for interstate services. Eligibility for the discounts is predicated upon a state's adopting discount levels for intrastate services equal to the federal discount levels for interstate services.

On July 16, 1997, we issued an order stating our plan to adopt the FCC discount matrix and asked interested persons to comment on that plan by July 23, 1997. NYNEX and AT&T filed comments. NYNEX supported the adoption. AT&T's letter did not address the question of whether the Commission should adopt the matrix. Therefore, we will adopt the following discount matrix:

**SCHOOLS AND LIBRARIES DISCOUNT MATRIX**

HOW DISADVANTAGED		DISCOUNT LEVEL	
% students eligible for national school lunch program	Estimated % of US schools in category	Urban Discount (%)	Rural Discount (%)
<1	3	20	25
1-19	31	40	50
20-34	19	50	60
35-49	15	60	70
50-74	16	80	80
75-100	16	90	90

We do not require Maine carriers to file tariffs reflecting these discounts.

Accordingly, we

O R D E R

1. That the Schools and Libraries Discount Matrix contained in FCC Order No. 97-157, CC Docket No. 96-45 and described above in this Order is hereby adopted;

2. That copies of this Order be sent to all telephone utilities in Maine; and

3. That copies of this Order be sent to the service list in Docket No. 96-900, *Public Utilities Commission, NYNEX Schools and Libraries Project*.

Dated at Augusta, Maine this 29th day of July, 1997.

BY ORDER OF THE COMMISSION

---

Dennis L. Keschl  
Administrative Director

COMMISSIONERS VOTING FOR:      Welch  
   Nugent  
   Hunt